

Memorandum



Date: March 7, 2006

To: Honorable Chairman Joe A. Martinez and
Members, Board of County Commissioners

Agenda Item No. 8(G)(1)(C)

From: George M. Burgess
County Manager

A handwritten signature in black ink, appearing to read "Burgess", written over the printed name of George M. Burgess.

Subject: Resolution Vacating Resolutions R-1482-02, R-753-03 and R-1335-05 and Authorizing the Allocation of \$4,000,000 of Surtax Funds to Corinthian Apartments, Ltd., Approve the Reduction of Total Number of Units and Change the Unit Composition for the Corinthian Apartments Development; and Authorizing the County Manager or His Designee to Execute Any Necessary Agreements

RECOMMENDATION

It is recommended that the Board of County Commissioners (BCC) vacate resolutions R-1482-02, R-753-03 and R-1335-05 and authorize the allocation of \$4,000,000 of Surtax funds to Corinthian Apartments, Ltd., approve the reduction of the total number of units a change in the unit composition for the Corinthian Apartments development. The development is being developed by Pinnacle Housing Group. The development is located at 2160 NW 79th Street, in Commission District 2.

BACKGROUND

The BCC awarded The Corinthian Apartments, Ltd. \$1,000,000 of Surtax funds through R-1482-02 and up to \$3,000,000 of Surtax funds through R-753-03 for The Corinthian Apartments development. Resolution R-1335-05 superseded R-1482-02 and sets the award amount at \$2,500,000 for this resolution resulting in a total project award of \$5,500,000. Resolution R-1335-05 incorrectly superseded the R-1482-02 instead of R-753-03 resulting in a total project award of \$5,500,000 instead of \$3,500,000. Originally, the development consisted of 144 rental units to house families and individuals earning up to 60% of area median income.

It is now proposed that the development will encompass 126 garden style units in three residential buildings plus a club house and related amenities. The property will be financed using 9% housing credits that were awarded to the development in October 2004 through the Florida Housing Finance Corporation. The proposed new unit mix of the development is as follows:

Number of Bedrooms/Bathrooms	Square Footage	Gross Rent	Proposed Number of Units	Previous Number of Units
1/1	630	\$546	27	16
2/2	783	\$657	61	84
3/2	1,037	\$751	35	32
4/2	1,115	\$836	3	12
Total Number of Units			126	144

The above mentioned changes were necessary in order to make the development financially feasible in light of the dramatic increase in construction costs and to facilitate the environmental remediation required at the development site and construction delays and rising construction costs caused by Hurricanes Katrina and Wilma. These increased costs have resulted in a funding gap of \$500,000 according to staff's review and the total project cost is estimated at \$18,971,263. The developer expects to begin construction by Spring 2006 and anticipates completion by Spring 2007.

Miami-Dade Housing Agency is recommending reducing the total number of units, changing the unit composition and vacating resolutions R-1482-02, R-753-03 and R-1335-05 and allocating \$4,000,000 for The Corinthian Apartments. The Affordable Housing Advisory Board approved the initial funding recommendation at its meeting of September 28, 2005. Pursuant to a directive from the December 13, 2005 CEER Committee the housing agency has reviewed the developer's request for additional funding and is recommending that an additional \$500,000 be allocated to this project. Attached please find correspondence that has been received from the developer regarding the request for additional funding.

The Principals for The Corinthian Apartments, Ltd. are:

Louis Wolfson III, Chairman
9400 S. Dadeland Blvd., Suite 100
Miami, Florida 33156
(305) 854-7100

Michael D. Wolf, President
9400 S. Dadeland Blvd., Suite 100
Miami, Florida 33156
(305) 854-7100

David O. Deutch, Vice President
9400 S. Dadeland Blvd., Suite 100
Miami, Florida 33156
(305) 854-7100

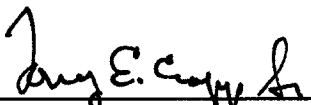
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Honorable Chairman Joe A. Martinez
And Members, Board of County Commissioners
Page 3

Mitchell M. Friedman, Vice President
9400 S. Dadeland Blvd., Suite 100
Miami, Florida 33156
(305) 854-7100

Attached is a detailed statement of project financing for the funding of this development.
It indicates the current project status of approved funding. (Attachment A).

Attachment



Assistant County Manager
Tony E. Crapp, Sr.

ATTACHMENT A
The Corinthian Apartments Development

Sources of Funds	Current Allocation as of 12/6/05 as proposed for correction	MDHA Recommended Allocation	Uses of Funds
Tax Credit Equity	\$10,393,961	\$10,393,961	Construction; Finance Fees; Hard Cost Contingency; Washer/Dryers
First Mortgage Conventional	3,600,000	3,600,000	Construction; Accounting; Marketing; Construction Loan Cost; Developer Fee; Land Acquisition
Miami-Dade County Surtax Funds	3,500,000	4,000,000	Construction Cost; Land Clearing; Appraisal; Architect Fees; Building Permit; Engineering Fees; Environmental; Insurance
Deferred Developer's Fee	977,302	977,302	Developer Fees
Total	<u>18,471,263</u>	<u>\$18,971,263</u>	



MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: March 7, 2006

FROM: Murray A. Greenberg
County Attorney

SUBJECT: Agenda Item No. 8(G)(1)(C)

Please note any items checked.

- ☐ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Bid waiver requiring County Manager's written recommendation
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☐ Housekeeping item (no policy decision required)
- ☐ No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(G)(1)(C)
03-07-06

Resolution No. _____

RESOLUTION VACATING RESOLUTIONS R-1482-02, R-753-03 AND R-1335-05 AND AUTHORIZING THE ALLOCATION OF \$4,000,000 OF SURTAX FUNDS TO CORINTHIAN APARTMENTS, LTD., APPROVE THE REDUCTION OF TOTAL NUMBER OF UNITS AND CHANGE THE UNIT COMPOSITION FOR THE CORINTHIAN APARTMENTS DEVELOPMENT; AND AUTHORIZING THE COUNTY MANAGER OR HIS DESIGNEE TO EXECUTE ANY NECESSARY AGREEMENTS

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA that this Board approves the vacating of resolutions R-1482-02, R-753-03 and R-1335-05 and authorizing the allocation of \$4,000,000 of Surtax Funds to Corinthian Apartments, Ltd., and approve the reduction of total number of units and change the unit composition for the Corinthian Apartments Development, as set forth in the attached memorandum; and further authorizes the County Manager or his designee to execute agreements, contracts, and amendments on behalf of Miami-Dade County, following approval by the County Attorney's Office; to shift funding sources for this program activity without exceeding the total amount allocated to that agency; and to exercise amendment, modification, renewal, cancellation and termination clauses on behalf of Miami-Dade County, Florida.

The foregoing resolution was offered by Commissioner
who moved its adoption. The motion was seconded by Commissioner
and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman	
Dennis C. Moss, Vice-Chairman	
Bruno A. Barreiro	Jose "Pepe" Diaz
Audrey M. Edmonson	Carlos A. Gimenez
Sally A. Heyman	Barbara J. Jordan
Dorin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this
7th day of March, 2006. This Resolution and contract, if not vetoed, shall become
effective in accordance with Resolution No. R-377-04.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as
to form and legal sufficiency.



By: _____

Deputy Clerk

Shannon D. Summerset



P I N N A C L E
H O U S I N G G R O U P

January 23, 2006

Mr. Tony Crapp
Assistant County Manager
Miami-Dade County
111 NW 1st Street, Suite 2900
Miami, Florida 33129

**Via Federal Express &
Email**

RE: The Corinthian Apartments, Ltd.

Dear Mr. Crapp:

Attached please find our Sources and Uses budget that we previously forwarded to the Housing Agency in December, 2005. These numbers will not change materially upon closing in approximately two (2) weeks. I am also enclosing a comparison of the current proforma with that of the proforma submitted to the Housing Agency in July, 2005.

This sources and uses budget clearly demonstrates our almost 1.9 million dollar funding gap. We intend to use the additional 1 million dollars of Surtax financing to fund hard construction costs. The 3.5 million dollars of Surtax already awarded to the project will be used for acquisition costs of the land, soft costs and hard construction costs.

The remaining financing gap will have to be funded through cash flow from the property over the next 12 years. If the financing gap is not fully paid by that time, then the general partner will have to write a check to the developer for any unpaid balance. Since MDHA Development Corporation is a non-profit entity, this payment will not create any negative tax consequence (phantom income).

We believe the final 1 million dollar Surtax allocation request will position the property for future success.

Thank you for your continued assistance and support.

Sincerely,

DAVID O. DEUTCH

Encl.

cc: Alphonso Brewster
Maria De Pedro Gonzalez
Mitchell M. Friedman

DEVELOPMENT > CONSTRUCTION > MANAGEMENT

9400 S. DADELAND BLVD., SUITE 100, MIAMI, FLORIDA 33156
TEL [305] 854.7100 FAX [305] 859.9858 WWW.PINNACLEHOUSING.COM

RECEIVED
JAN 23 2006
Tony E. Crapp, Jr.
County Manager's Office

construction contract done

THE CORINTHIAN
DEVELOPMENT COST PROFORMA

126 units

<u>USES</u>	PER UNIT COSTS	TOTAL COSTS	TAXCRED COSTS
Acquisition/Land	10,317	1,300,000	0
Land Clearing	1,333	168,000	0
Accounting	659	83,000	83,000
Appraisal	79	9,900	9,900
Architect Fees - Design/Superv.	2,579	325,000	325,000
Building Permits	900	113,400	113,400
Broker Commission	149	18,750	0
Consulting Fees	492	62,004	0
Engineering Fees	992	125,000	125,000
Environmental/Soils/Survey/Plat	2,579	325,000	162,500
Finance Fees	1,381	174,000	0
Net Impact Fees	1,700	214,200	214,200
Inspection Fees	403	50,750	50,750
Insurance	890	112,140	0
Legal Fees	1,786	225,000	90,000
Market Study	54	6,848	6,848
Operating Deficit Reserve	1,587	200,000	0
Property Taxes	774	97,500	97,500
Utility Connection Fees	1,700	214,200	214,200
Tax Credit Fees	1,500	188,964	0
Title Insurance & Recording	1,190	150,000	75,000
Marketing	1,190	150,000	0
Soft Cost Contingency	1,129	142,283	142,283
Construction Loan Interest	3,907	492,326	122,442
Construction Costs	91,258	11,498,495	10,898,495
Hard Cost Contingency	4,563	574,925	574,925
FFE/Amenities	992	125,000	125,000
Washers/Dryers	400	50,400	0
Developer Fee	19,973	2,516,654	2,516,654
Total Uses	156,458	19,713,738	15,947,096

SOURCES

TAX CREDIT EQUITY	82,492	10,393,961	0.99 tax credit price
1ST MORTGAGE-CONVENTIONAL	31,349	3,950,000	
SURTAX MIAMI-DADE COUNTY	27,778	3,500,000	
ADDITIONAL SURTAX	7,937	1,000,000	
DEFERRED DEVELOPER FEE	6,903	869,778	
TOTAL SOURCES	156,458	19,713,738	

construction contract done

THE CORINTHIAN
DEVELOPMENT COST PROFORMA

126 units

USES	December 20, 2005		July 26, 2005		VARIANCE
	PER UNIT COSTS	TOTAL COSTS	PER UNIT COSTS	TOTAL COSTS	
Acquisition/Land	10,317	1,300,000	10,317	1,300,000	0
Land Clearing	1,333	168,000	1,265	159,417	8,583
Accounting	659	83,000	659	83,000	0
Appraisal	79	9,900	99	12,500	(2,600)
Architect Fees - Design/Superv.	2,579	325,000	2,579	325,000	0
Building Permits	900	113,400	700	88,200	25,200
Broker Commission	149	18,750	0	0	18,750
Consulting Fees	492	62,004	0	0	62,004
Engineering Fees	992	125,000	992	125,000	0
Environmental/Soils/Survey/Plat	2,579	325,000	2,579	325,000	0
Finance Fees	1,381	174,000	2,008	253,050	(79,050)
Net Impact Fees	1,700	214,200	1,700	214,200	0
Inspection Fees	403	50,750	403	50,750	0
Insurance	890	112,140	890	112,140	0
Legal Fees	1,786	225,000	1,786	225,000	0
Market Study	54	6,848	54	6,848	0
Operating Deficit Reserve	1,587	200,000	2,381	300,000	(100,000)
Property Taxes	774	97,500	516	65,000	32,500
Utility Connection Fees	1,700	214,200	1,700	214,200	0
Tax Credit Fees	1,500	188,964	1,446	182,191	6,773
Title Insurance & Recording	1,190	150,000	1,190	150,000	0
Marketing	1,190	150,000	1,190	150,000	0
Soft Cost Contingency	1,129	142,283	1,144	144,104	(1,821)
Construction Loan Interest	3,907	492,326	3,005	378,640	113,686
Construction Costs	91,258	11,498,495	83,788	10,557,296	941,199
Hard Cost Contingency	4,563	574,925	4,189	527,865	47,060
FFE/Amenities	992	125,000	992	125,000	0
Washers/Dryers	400	50,400	400	50,400	0
Developer Fee	19,973	2,516,654	18,623	2,346,461	170,193
Total Uses	156,458	19,713,739	146,597	18,471,262	1,242,477

SOURCES

TAX CREDIT EQUITY	82,492	10,393,961	10,393,961	0
1ST MORTGAGE-CONVENTIONAL	31,349	3,950,000	3,600,000	350,000
SURTAX MIAMI-DADE COUNTY	27,778	3,500,000	4,000,000	(500,000)
ADDITIONAL SURTAX	7,937	1,000,000	0	1,000,000
DEFERRED DEVELOPER FEE	6,903	869,778	477,302	392,476
TOTAL SOURCES	156,458	19,713,739	18,471,263	1,242,476



January 19, 2006

Mr. Tony Crapp
Assistant County Manager
Miami-Dade County
111 NW 1st Street, Suite 2900
Miami, Florida 33129

RE: The Corinthian Apartments, Ltd.

Dear Mr. Crapp:

In furtherance of my letter to you dated January 3, 2006 and per our conversation today, please accept this letter as our formal request for an additional \$1,000,000 dollars of Surtax financing for The Corinthian development. The Corinthian currently has a total BCC approved allocation of \$3,500,000 dollars of Surtax financing. Despite the substantial County investment in the project, a funding gap totaling approximately \$1,900,000 dollars still remains.

The reason the development requires additional gap financing stems largely from continued increases in construction costs over the last two years. We have redesigned the project from a mid-rise to a garden style development to help mitigate increasing construction costs. Additionally, the site has incurred significant environmental remediation costs along with increases in interest rates and carrying the project for the last several years.

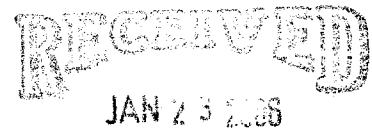
We expect to break ground shortly after our plat is approved by the BCC on January 24, 2006 and look forward to working with you on this final Surtax request totaling \$1,000,000 dollars.

Thank you for your continued assistance and support.

Sincerely,


DAVID O. DEUTCH

cc: Alphonso Brewster
Maria De Pedro Gonzalez
Mitchell M. Friedman



Tony E. Crapp, Sr.
County Manager's Office

DEVELOPMENT > CONSTRUCTION > MANAGEMENT

9400 S. DADELAND BLVD., SUITE 100, MIAMI, FLORIDA 33156
TEL [305] 854.7100 FAX [305] 859.9858 WWW.PINNACLEHOUSING.COM

ATTACHMENT

C
Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(G)(1)(B)
12-6-05


OFFICIAL FILE COPY
CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
DADE COUNTY, FLORIDA

Resolution No. R-1335-05

RESOLUTION AUTHORIZING THE CORINTHIAN APARTMENTS, LTD. REQUEST TO REDUCE THE TOTAL NUMBER OF UNITS, CHANGE THE UNIT COMPOSITION AND SET THE AWARD AMOUNT OF R-1482-02 AT \$2,500,000 FOR THE CORINTHIAN APARTMENTS DEVELOPMENT; AND AUTHORIZING THE COUNTY MANAGER OR HIS DESIGNEE TO EXECUTE ANY NECESSARY AGREEMENTS

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA that this Board approves the Corinthian Apartments, Ltd. request to reduce the total number of units, change the unit composition and set the award amount of R-1482-02 at \$2,500,000 for the Corinthian Apartments development, as set forth in the attached memorandum; and further authorizes the County Manager or his designee to execute agreements, contracts, and amendments on behalf of Miami-Dade County, following approval by the County Attorney's Office; to shift funding sources for this program activity without exceeding the total amount allocated to that agency; and to exercise amendment, modification, renewal, cancellation and termination clauses on behalf of Miami-Dade County, Florida.


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The foregoing resolution was offered by Commissioner **Dorrian D. Rolle**, who moved its adoption. The motion was seconded by Commissioner **Carlos A. Gimenez** and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman	aye		
Dennis C. Moss, Vice-Chairman	aye		
Bruno A. Barreiro	aye	Dr. Barbara Carey-Shuler	absent
Jose "Pepe" Diaz	aye	Carlos A. Gimenez	aye
Sally A. Heyman	absent	Barbara J. Jordan	aye
Dorrian D. Rolle	aye	Natacha Seijas	aye
Katy Sorenson	absent	Rebeca Sosa	aye
Sen. Javier D. Souto	aye		

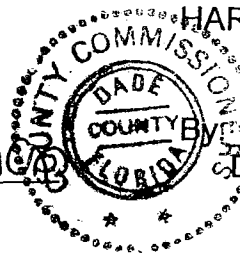
The Chairperson thereupon declared the resolution duly passed and adopted this 6th day of December, 2005. This Resolution and contract, if not vetoed, shall become effective in accordance with Resolution No. R-377-04.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as
to form and legal sufficiency.

Terrence A. Smith



KAY SULLIVAN
Deputy Clerk

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The foregoing resolution was offered by Commissioner **Dorrin D. Rolle**, who moved its adoption. The motion was seconded by Commissioner **Carlos A. Gimenez** and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman	aye		
Dennis C. Moss, Vice-Chairman	aye		
Bruno A. Barreiro	aye	Dr. Barbara Carey-Shuler	absent
Jose "Pepe" Diaz	aye	Carlos A. Gimenez	aye
Sally A. Heyman	absent	Barbara J. Jordan	aye
Dorrin D. Rolle	aye	Natacha Seijas	aye
Katy Sorenson	absent	Rebeca Sosa	aye
Sen. Javier D. Souto	aye		

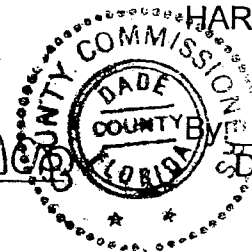
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MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as
to form and legal sufficiency.

Terrence A. Smith



KAY SULLIVAN
Deputy Clerk

Memorandum

MIAMI-DADE
COUNTY

Date: December 6, 2005

To: Honorable Chairman Joe A. Martinez
and Members, Board of County
Commissioners

Agenda Item No. 8(G)(1)(B)

From: 
George W. Burgess
County Manager

Subject: Resolution Authorizing the Corinthian Apartments, Ltd. Request to Reduce the Total Number of Units, Change the Unit Composition and Set The Award Amount Of R-1482-02 At \$2,500,000 For The Corinthian Apartments Development; And Authorizing The County Manager Or His Designee To Execute Any Necessary Agreements

RECOMMENDATION

It is recommended that the Board of County Commissioners (BCC) approve the Corinthian Apartments, Ltd. request to reduce the total number of units, change the unit composition and set the award amount of R-1482-02 at \$2,500,000 for the Corinthian Apartments development. The development is being developed by Pinnacle Housing Group. The development is located at 2160 NW 79th Street, in Commission District 2.

BACKGROUND

The BCC awarded The Corinthian Apartments, Ltd. \$1,000,000 of Surtax 2003 funds through R-1482-02 and up to \$3,000,000 of Surtax 2003 Incentive Pool funds through R-753-03 for The Corinthian Apartments development. This resolution supercedes R-1482-02 and sets the award amount at \$2,500,000. Originally, the development consisted of 144 rental units to house families and individuals earning up to 60% of area median income. The following list details the currently proposed configuration of the rental units:

Number of Bedrooms/Bathrooms	Square Footage	Gross Rent	Number of Units
1/1	756	\$546	16
2/2	867	\$657	84
3/2	1,139	\$751	32
4/2	1,295	\$836	12
			144

Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners
Page 2

It is now proposed that the development will now encompass 126 garden style units in three residential buildings plus a club house and related amenities. The property will be financed using 9% housing credits that were awarded to the development in October 2004 through the Florida Housing Finance Corporation. The proposed new unit mix of the development is as follows:

Number of Bedrooms/Bathrooms	Square Footage	Gross Rent	Proposed Number of Units	Previous Number of Units
1/1	630	\$546	27	16
2/2	783	\$657	61	84
3/2	1,037	\$751	35	32
4/2	1,115	\$836	3	12
			126	144

The above mentioned changes were necessary in order to make the development financially feasible in light of the dramatic increase in construction costs and to facilitate the environmental remediation required at the development site. The developer expects to begin construction by January 2006 and anticipates completion by January 2007. The total project cost is still estimated at \$18,471,263, only the unit configuration changed.

Miami-Dade Housing Agency is recommending reducing the total number of units, changing the unit composition and setting the award amount of R-1482-02 at \$2,500,000 for The Corinthian Apartments. The total amount awarded for this project will be \$3,500,000. The Affordable Housing Advisory Board approved this recommendation at its meeting of September 28, 2005.

The Principals for The Corinthian Apartments, Ltd. are:

Louis Wolfson III, Chairman
9400 S. Dadeland Blvd., Suite 100
Miami, Florida 33156
(305) 854-7100

Michael D. Wohl, President
9400 S. Dadeland Blvd., Suite 100
Miami, Florida 33156
(305) 854-7100

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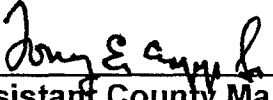
Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners
Page3

David O. Deutch, Vice President
9400 S. Dadeland Blvd., Suite 100
Miami, Florida 33156
(305) 854-7100

Mitchell M. Friedman, Vice President
9400 S. Dadeland Blvd., Suite 100
Miami, Florida 33156
(305) 854-7100

Attached is a detailed statement of project financing for the funding of this development.
It indicates the current project status of approved funding. (Attachment A).

Attachment



Assistant County Manager
Tony E. Crapp, Sr.



MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: December 6, 2005

FROM: Murray A. Greenberg
County Attorney

SUBJECT: Agenda Item No. 8(G)(1)(B)

Please note any items checked.

- ☐ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Bid waiver requiring County Manager's written recommendation
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☐ Housekeeping item (no policy decision required)
- ☐ No committee review

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Attachment A
The Corinthian Apartments Development

Sources of Funds	Current Allocation	Uses of Funds
Tax Credit Equity	\$10,393,961	Construction; Finance Fees; Hard Cost Contingency; Washer/Dryers
First Mortgage Conventional	3,600,000	Construction; Accounting; Marketing; Construction Loan Cost; Developer Fee
Miami-Dade County Surtax 2003	3,500,000	Land Acquisition; Construction Cost; Land Clearing; Appraisal; Architect Fees; Building Permit; Engineering Fees; Environmental; Insurance
Deferred Developer's Fee	977,302	Developer Fees
Total	\$18,471,263	

Memorandum



Date: September 28, 2005

To: Luis Rabell, Chairperson
Affordable Housing Advisory Board and Members

From: Alphonso K. Brewster, Director
Miami-Dade Housing Agency

Subject: The Corinthian Apartments, Ltd. Request to Reduce the Total Number of Units, Change the Unit Composition and Set the Award Amount of R-1482-02 at \$2,500,000 for The Corinthian Apartments

ATTACHMENT B

REQUEST

The Corinthian Apartments, Ltd. has submitted a request to reduce the total number of units, change the unit composition and set the award amount of R-1482-02 at \$2,500,000 for The Corinthian Apartments. The development is being developed by Pinnacle Housing Group.

RECOMMENDATION

It is recommended that the Affordable Housing Advisory Board approve The Corinthian Apartments, Ltd. request to reduce the total number of units, change the unit composition and set the award amount of R-1482-02 at \$2,500,000 for The Corinthian Apartments. The development is located at 2160 NW 79th Street, in Commission District 2.

BACKGROUND

The Board of County Commissioners awarded The Corinthian Apartments, Ltd. \$1,000,000 of Surtax 2003 funds through R-1482-02 and up to \$3,000,000 of Surtax 2003 Incentive Pool funds through R-753-03 for The Corinthian Apartments. This resolution supercedes R-1482-02 and set the award amount at \$2,500,000. Originally, the development consisted of 144 rental units to house families and individuals earning up to 60% of area median income. The following list details the existing configuration of the rental units:

Number of Bedrooms/Bathrooms	Square Footage	Gross Rent	Number of Units
1/1	756	\$546	16
2/2	867	\$657	84
3/2	1,139	\$751	32
4/2	1,295	\$836	12

The development will now encompass 126 garden style units in three residential buildings plus a club house and related amenities. The property will be financed using 9% housing credits that were awarded to the development in October 2004 through the Florida Housing Finance Corporation. The new unit mix of the development is as follows:

Number of Bedrooms/Bathrooms	Square Footage	Gross Rent	Number of Units
1/1	630	\$546	27
2/2	783	\$657	61
3/2	1,037	\$751	35
4/2	1,115	\$836	3

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The above mentioned changes were necessary in order to make the development financially feasible in light of the dramatic increase in construction costs and to facilitate the environmental remediation required at the development site. The developer expects to begin construction by January 2006 and anticipates completion by January 2007. The total project cost is \$18,471,263.

Miami-Dade Housing Agency is recommending reducing the total number of units, changing the unit composition and setting the award amount of R-1482-02 at \$2,500,000 for The Corinthian Apartments. The total amount awarded for this project will be \$3,500,000.

The Principals for The Corinthian Apartments, Ltd. are:

Louis Wolfson III, Chairman
9400 S. Dadeland Blvd., Suite 100
Miami, Florida 33156
(305) 854-7100

Michael D. Whol, President
9400 S. Dadeland Blvd., Suite 100
Miami, Florida 33156
(305) 854-7100

David O. Deutch, Vice President
9400 S. Dadeland Blvd., Suite 100
Miami, Florida 33156
(305) 854-7100

Mitchell M. Friedman, Vice President
9400 S. Dadeland Blvd., Suite 100
Miami, Florida 33156
(305) 854-7100

Attached please find a detailed statement of project financing that indicates the current status of approved project funding (Attachment A).

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Attachment A
The Corinthian Apartments

Sources of Funds	Current Allocation	Uses of Funds
Tax Credit Equity	\$10,393,961	Construction; finance fees; developer fees; hard cost contingency; washer/dryers
First Mortgage Conventional	3,600,000	Construction; accounting; marketing; construction loan cost; developer fee
Miami-Dade County Surtax 2003	3,500,000	Land acquisition; construction cost; land clearing; appraisal; architect fees; building permit; engineering fees; environmental; insurance
Deferred Developer's Fee	977,302	Developer fees
Total	<u>\$18,471,263</u>	

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ATTACHMENT B

THE CORINTHIAN
15 YEAR OPERATING PROFORMA
(26 units)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
GROSS RENTAL INCOME	3,00%														
PLUS: OTHER INCOME	351,564	380,111	1,009,514	1,009,800	1,070,994	1,103,123	1,136,217	1,170,364	1,205,413	1,241,515	1,278,822	1,317,167	1,356,703	1,397,404	1,439,325
LESS: VACANCY	40,066	41,278	42,568	43,783	45,037	46,450	47,843	49,279	50,757	52,280	53,848	55,463	57,127	58,841	60,608
EFFECTIVE GROSS INCOME	(19,592)	(31,069)	(32,601)	(34,119)	(35,805)	(37,479)	(39,203)	(40,979)	(42,809)	(44,693)	(46,634)	(48,633)	(50,692)	(52,812)	(54,937)
EXPENSE ASSUMPTIONS:	942,050	970,312	989,421	1,029,404	1,080,206	1,132,086	1,184,937	1,238,803	1,293,661	1,349,522	1,406,387	1,464,257	1,523,132	1,583,012	1,643,896
MANAGEMENT FEE (5%)	4,00%														
MARKETING/ADMINISTRATION	374	47,103	48,516	49,971	51,470	53,014	54,605	56,243	57,930	59,668	61,458	63,302	65,201	67,157	69,172
ELECTRIC	275	34,950	36,036	37,177	38,377	40,536	42,157	43,843	45,597	47,421	49,318	51,290	53,342	55,478	57,695
WATER/SEWER (NOT SUBMETERED)	166	23,411	24,347	25,321	26,334	27,388	28,483	29,622	30,807	32,040	33,321	34,654	36,040	37,482	38,981
WASTE REMOVAL	350	44,100	45,884	47,699	49,607	51,591	53,654	55,801	58,033	60,354	62,768	65,279	67,890	70,606	73,430
PAYROLL	105	13,236	13,759	14,310	14,882	15,477	16,096	16,740	17,410	18,108	18,835	19,584	20,367	21,182	22,030
MAINTENANCE/REPAIR	1,071	135,000	140,400	146,016	151,857	157,931	164,248	170,818	177,651	184,757	192,147	199,833	207,825	216,139	224,765
CONTRACT SERVICES	250	31,500	32,760	34,070	35,433	36,851	38,325	39,858	41,452	43,110	44,834	46,628	48,493	50,433	52,450
SECURITY	210	26,500	27,560	28,662	29,809	31,001	32,241	33,531	34,872	36,267	37,718	39,228	40,796	42,427	44,124
INSURANCE	348	43,800	45,552	47,374	49,266	51,240	53,299	55,421	57,608	59,863	62,187	64,605	67,128	70,125	72,930
TAXES	500	63,000	65,520	68,141	70,868	73,701	76,649	79,716	82,904	86,220	89,669	93,255	96,986	100,865	104,900
RESERVES	800	100,800	104,832	109,025	113,385	117,922	122,639	127,544	132,646	137,952	143,470	149,209	155,177	161,384	167,839
NET OPERATING INCOME	4,719	534,584	617,806	642,117	667,323	693,501	720,711	748,964	778,391	808,947	840,709	873,772	908,138	943,708	980,784
DEBT SERVICE	2,753	347,457	352,405	357,284	362,081	366,785	371,393	375,954	380,212	384,414	388,454	392,315	396,080	399,431	402,848
CASH FLOW		(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)
DEBT SERVICE COVERAGE	1.16	1.18	1.19	1.21	1.23	1.24	1.26	1.27	1.29	1.30	1.31	1.32	1.34	1.35	1.36

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THE CORINTHIAN OPERATING PROFORMA

126 units

No. 0424 P. 4
No. 9373 P. 3

Size	No. Units	2005 Gross Rent	Less: Unit Allow	2005 Max Net Rent	2005 Proforma Net Rent	Annual Income
1BR/1BA30%	3	304	(46)	258	258	9,288
1BR/1BA60%	24	609	(46)	563	563	162,144
2BR/2BA30%	8	365	(57)	308	308	29,568
2BR/2BA60%	53	730	(57)	673	673	428,028
3BR/2BA30%	5	422	(75)	347	347	20,820
3BR/2BA60%	30	843	(75)	768	768	276,480
4BR/2BA30%	1	471	(84)	387	387	4,844
4BR/2BA60%	2	942	(84)	858	858	20,592
	<u>126</u>					

Gross Rental Income

951,584

Plus: Washer/Dryer Rentals 30 MONTH
Plus: Cable Income 9 MONTH
Plus: Other Income 10 MONTH
Total:

40% CAPTURE
50% CAPTURE
100% CAPTURE

18,144
6,804
15,120
40,068

Gross Potential Income

991,632

Less: Vacancy

5.0%

(49,582)

Effective Gross Income

942,050

Less: Operating Expenses
Less: Replacement Reserve

\$4,519 per unit
\$200 per unit
TOTAL \$4,719 per unit

(569,394)
(25,200)
(594,594)

Net Operating Income

347,456

DEBT SERVICE:

1ST MORTGAGE-CONVENTIONAL
SURTAX MIAMI-DADE COUNTY
OTHER

\$3,600,000
4,000,000
0

7.40%
0.00%
0.00%

(299,108)

0

Remaining Cash Flow

398,348

Debt Service Coverage

1.16

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THE CORINTHIAN
DEVELOPMENT COST PROFORMA

126 units

No. 0424 P. 5
No. 93/8 P. 2

USES	PER UNIT		TAXCRED	
	<u>COSTS</u>	<u>COSTS</u>	<u>COSTS</u>	
Acquisition/Land	10,317	1,300,000	0	
Land Clearing	1,265	159,417	0	
Accounting	659	83,000	83,000	
Appraisal	99	12,500	12,500	
Architect Fees - Design/Superv.	2,579	325,000	325,000	
Building Permits	700	88,200	88,200	
Engineering Fees	992	125,000	125,000	
Environmental/Soils/Survey/Plat	2,579	325,000	325,000	
Finance Fees	2,008	253,050	18,188	
Net Impact Fees	1,700	214,200	214,200	
Inspection Fees	403	50,750	50,750	
Insurance	890	112,140	56,070	
Legal Fees	1,786	225,000	135,000	
Market Study	54	6,848	6,848	
Operating Deficit Reserve	2,381	300,000	0	
Property Taxes	516	65,000	65,000	
Utility Connection Fees	1,700	214,200	214,200	
Tax Credit Fees	1,446	182,191	0	
Title Insurance & Recording	1,190	150,000	150,000	
Marketing	1,190	150,000	0	
Soft Cost Contingency	1,144	144,104	144,104	
Construction Loan Interest	3,005	378,640	189,320	
Construction Costs	83,788	10,557,296	10,257,296	
Hard Cost Contingency	4,189	527,865	527,865	
FFE/Amenities	992	125,000	125,000	
Washers/Dryers	400	50,400	0	
Developer Fee	18,623	2,346,461	2,346,461	
Total Uses	146,597	18,471,262	15,459,002	

SOURCES

TAX CREDIT EQUITY	82,492	10,393,961	0.99 tax credit price
1ST MORTGAGE-CONVENTIONAL	28,571	3,600,000	
SURTAX MIAMI-DADE COUNTY	31,746	4,000,000	
OTHER	0	0	
DEFERRED DEVELOPER FEE	3,788	477,302	
TOTAL SOURCES	146,597	18,471,262	

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THE CORINTHIAN
DEVELOPMENT COST PROFORMA

126 units

USES	PER UNIT	TOTAL	TAXCRED
	<u>COSTS</u>	<u>COSTS</u>	<u>COSTS</u>
Acquisition/Land	10,317	1,300,000	0
Land Clearing	1,265	159,417	0
Accounting	659	83,000	83,000
Appraisal	99	12,500	12,500
Architect Fees - Design/Superv.	2,579	325,000	325,000
Building Permits	700	88,200	88,200
Engineering Fees	992	125,000	125,000
Environmental/Soils/Survey/Plat	2,579	325,000	325,000
Finance Fees	2,008	253,050	18,188
Net Impact Fees	1,700	214,200	214,200
Inspection Fees	403	50,750	50,750
Insurance	890	112,140	56,070
Legal Fees	1,786	225,000	135,000
Market Study	54	6,848	6,848
Operating Deficit Reserve	2,381	300,000	0
Property Taxes	516	65,000	65,000
Utility Connection Fees	1,700	214,200	214,200
Tax Credit Fees	1,446	182,191	0
Title Insurance & Recording	1,190	150,000	150,000
Marketing	1,190	150,000	0
Soft Cost Contingency	1,144	144,104	144,104
Construction Loan Interest	3,005	378,640	189,320
Construction Costs	83,788	10,557,296	10,257,296
Hard Cost Contingency	4,189	527,865	527,865
FEE/Amenities	992	125,000	125,000
Washers/Dryers	400	50,400	0
Developer Fee	18,623	2,346,461	2,346,461
Total Uses	146,597	18,471,262	15,459,002
SOURCES			
TAX CREDIT EQUITY	82,492	10,393,961	0.99 tax credit price
1ST MORTGAGE-CONVENTIONAL	28,571	3,600,000	
SURTAX MIAMI-DADE COUNTY	31,746	4,000,000	
OTHER	0	0	
DEFERRED DEVELOPER FEE	3,788	477,302	
TOTAL SOURCES	146,597	18,471,262	

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32

THE CORINTHIAN
OPERATING PROFORMA

126 units

No. 93/3 P. 3

Size	No. Units	2005 Gross Rent	Less: Util. Allow	2005 Max Net Rent	2005 Proforma Net Rent	Annual Income
1BR/1BA30%	3	304	(46)	258	258	9,288
1BR/1BA60%	24	609	(46)	563	563	162,144
2BR/2BA30%	8	365	(57)	308	308	29,588
2BR/2BA60%	53	730	(57)	673	673	426,028
3BR/2BA30%	5	422	(75)	347	347	20,820
3BR/2BA60%	30	843	(75)	768	768	276,480
4BR/2BA30%	1	471	(84)	387	387	4,644
4BR/2BA60%	2	942	(84)	858	858	20,592
	<u>126</u>					

Gross Rental Income

951,564

Plus: Washer/Dryer Rentals 30 MONTH
Plus: Cable Income 9 MONTH
Plus: Other Income 10 MONTH
Total:

40% CAPTURE
50% CAPTURE
100% CAPTURE

18,144
6,804
15,120
40,068

Gross Potential Income

991,632

Less: Vacancy

5.0%

(49,582)

Effective Gross Income

942,050

Less: Operating Expenses
Less: Replacement Reserve

\$4,519 per unit
\$200 per unit
TOTAL \$4,719 per unit

(569,394)
(25,200)
(594,594)

Net Operating Income

347,456

DEBT SERVICE:

1ST MORTGAGE-CONVENTIONAL
SURTAX MIAMI-DADE COUNTY
OTHER

\$3,600,000
4,000,000
0

7.40%
0.00%
0.00%

(299,108)

0

0

Remaining Cash Flow

\$48,348

Debt Service Coverage

1.16

27
27

THE CORINTHIAN
OPERATING PROFORMA

126 units

Size	No. Units	2005 Gross Rent	Less: Unit Allow	2005 Proforma Max Net Rent	Net Rent	Annual Income
1BR/1BA30%	3	304	(46)	258	258	9,288
1BR/1BA60%	24	609	(46)	563	563	162,144
2BR/2BA30%	5	365	(57)	308	308	29,568
2BR/2BA60%	53	730	(57)	673	673	426,028
3BR/2BA30%	5	422	(75)	347	347	20,820
3BR/2BA60%	30	843	(75)	768	768	276,480
4BR/2BA30%	1	471	(84)	387	387	4,644
4BR/2BA60%	2	942	(84)	858	858	20,592
	<u>126</u>					

Gross Rental Income 951,584

Plus: Washer/Dryer Rentals 18,144
 Plus: Cable Income 8,804
 Plus: Other Income 15,120
 Total: 40,068

Gross Potential Income 991,632

Less: Vacancy 5.0% (49,582)

Effective Gross Income 942,050

Less: Operating Expenses (569,394)
 Less: Replacement Reserve (25,200)
 TOTAL (594,594)

Net Operating Income 347,456

DEBT SERVICE:
 1ST MORTGAGE-CONVENTIONAL (299,108)
 SURTAX MIAMI-DADE COUNTY 0
 OTHER 0

Remaining Cash Flow \$48,348

Debt Service Coverage 1.16

228

THE CORPORATION
15 YEAR OPERATING PERFORMANCE

125 units

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
GROSS RENTAL INCOME	861,564	960,111	1,009,514	1,039,800	1,070,994	1,103,123	1,138,217	1,170,204	1,205,413	1,244,575	1,278,822	1,317,187	1,356,703	1,397,404	1,438,325
PLUS: OTHER INCOME	40,088	41,270	42,508	43,783	45,097	46,450	47,843	49,279	50,757	52,280	53,848	55,463	57,127	58,841	60,608
LESS: VACANCY	(19,692)	(51,089)	(52,601)	(54,179)	(55,805)	(57,479)	(59,203)	(60,979)	(62,809)	(64,693)	(66,634)	(68,633)	(70,692)	(72,812)	(74,997)
EFFECTIVE GROSS INCOME	842,050	970,312	999,421	1,029,404	1,060,286	1,092,095	1,124,857	1,158,003	1,193,361	1,229,162	1,266,037	1,304,018	1,343,199	1,383,433	1,424,936
EXPENSE ASSUMPTIONS:															
MANAGEMENT FEE (3%)	374	47,103	49,971	51,470	53,014	54,605	56,243	57,930	59,668	61,458	63,302	65,201	67,157	69,172	71,247
MARKETING/ADMINISTRATION	275	34,896	37,477	38,977	40,536	42,157	43,843	45,587	47,421	49,318	51,290	53,342	55,478	57,685	60,003
ELECTRIC	188	23,111	24,347	25,321	26,334	27,388	28,481	29,622	30,807	32,040	33,354	34,769	36,184	37,681	40,140
WATER/SEWER (NOT SUBMETERED)	350	44,108	46,884	47,999	49,607	51,591	53,654	55,801	58,033	60,354	62,768	65,279	67,889	70,490	73,087
WASTE REMOVAL	105	13,230	13,759	14,310	14,882	15,477	16,098	16,740	17,410	18,108	18,830	19,584	20,367	21,182	22,029
PAYROLL	1,071	(35,000)	140,400	146,016	151,857	157,931	164,249	170,818	177,651	184,757	192,147	199,833	207,826	216,139	224,786
MAINTENANCE/REPAIR	250	31,900	32,760	34,070	35,433	36,851	38,325	39,868	41,482	43,170	44,934	46,778	48,693	50,683	52,650
CONTRACT SERVICES	210	26,304	27,590	28,662	29,809	31,001	32,241	33,531	34,872	36,267	37,718	39,228	40,795	42,427	44,124
SECURITY	348	43,800	46,532	47,374	49,269	51,240	53,289	55,421	57,638	59,943	62,341	64,835	67,428	70,125	72,900
INSURANCE	600	63,000	66,530	69,141	71,866	74,701	77,649	80,701	83,858	87,120	90,486	93,957	97,535	101,220	105,008
TAKES	800	100,600	104,632	108,075	113,286	117,972	122,639	127,544	132,846	138,546	144,670	151,177	158,184	165,698	173,823
RESERVES	250	31,500	32,780	34,070	35,433	36,851	38,325	39,868	41,482	43,170	44,934	46,778	48,693	50,683	52,650
NET OPERATING INCOME	4,719	594,944	577,936	642,137	667,223	683,501	720,711	744,984	778,381	808,947	840,709	873,777	908,028	943,708	980,784
DEBT SERVICE	2,758	317,457	352,406	367,284	382,081	396,785	411,389	426,864	442,212	458,414	475,454	492,315	509,980	528,491	547,846
CASH FLOW	(799,108)	(299,108)	(200,108)	(299,108)	(289,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)	(299,108)
DEBT SERVICE COVERAGE	1.16	1.18	1.19	1.21	1.23	1.24	1.26	1.27	1.28	1.30	1.31	1.32	1.34	1.35	1.36

Approved _____ Mayor

Veto _____

Override _____

Amended _____
Not On _____
Agenda Item No. _____
12-17-02

OFFICIAL FILE COPY
CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

RESOLUTION NO. R-1482-02

RESOLUTION APPROVING THE FY 2003 FUNDING RECOMMENDATIONS FOR THE STATE HOUSING INITIATIVE PARTNERSHIP AND SURTAX PROGRAMS; AUTHORIZING THE FILING WITH U.S. HUD OF MIAMI-DADE COUNTY'S FY 2003-2007 CONSOLIDATED PLAN WITH PROJECTED USES OF FUNDS FOR FY 2003 COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIP AND EMERGENCY SHELTER GRANT PROGRAMS; DIRECTING THE COUNTY MANAGER TO SUBMIT TO U.S. HUD THE OPA-LOCKA, WEST LITTLE RIVER, MODEL CITY, MELROSE, CORAL GABLES (COCONUT GROVE), SOUTH MIAMI, PERRINE, LEISURE CITY AND GOULDS FOCUS AREAS AND THE FEDERAL ENTERPRISE COMMUNITY/EMPOWERMENT ZONE FOR DESIGNATION AS NEIGHBORHOOD REVITALIZATION STRATEGY AREAS; AUTHORIZING THE COUNTY MANAGER TO GIVE PRIORITY CONSIDERATION TO FULFILL FY 2002-2003 BUDGETED MANDATES; AND EXECUTE ALL CONTRACTS, AGREEMENTS, AMENDMENTS, AND TO SHIFT FUNDS AWARDED FOR A PROJECT TO AN ENTITY CREATED FOR THE PURPOSE OF CARRYING OUT THAT PROJECT NECESSARY TO CARRY OUT THE ABOVE PROGRAMS; AND AUTHORIZING THE COUNTY MANAGER TO EXERCISE THE CANCELLATION PROVISIONS CONTAINED THEREIN

WHEREAS, this Board desires to accomplish the purposes outline in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves the funding recommendations for the State Housing Initiative Partnership (SHIP) and Surtax

14 17

Programs; authorizes the filing with U.S. HUD of the Miami-Dade County FY 2003-2007 Consolidated Plan, including the FY 2003 Action Plan with projected uses of funds for the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) and Emergency Shelter Grant (ESG) Programs; authorizes the County Manager to give priority consideration to fulfill FY 2002-2003 budgeted mandates, and to shift funds for each program among activities of the same agency without exceeding the total amount allocated to that agency; authorizes the County Manager to shift funding between agencies without exceeding the total award amount to that activity or changing the scope of that activity; directs the County Manager to submit to U.S. HUD the Opa-locka, West Little River, Model City, Melrose, Coral Gables (Coconut Grove), South Miami, Perrine, Leisure City and Goulds Focus Areas and the Federal Enterprise Community/Empowerment Zone areas for designation as Neighborhood Revitalization Strategy Areas; authorizes the County Manager to make non-substantive modifications to the FY 2003 Action Plan; authorizes the County Manager to execute such contracts, agreements and amendments necessary to carry out the above programs after approval by the County Attorney Office; and authorizes the County Manager to exercise the cancellation provisions contained therein.

The foregoing was offered by Commissioner **Bruno A. Barreiro** who moved its adoption. The motion was seconded by Commissioner **Rebeca Sosa** and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro	aye	Dr. Barbara Carey-Shuler	aye
Jose "Pepe" Diaz	absent	Betty T. Ferguson	aye
Sally A. Heyman	aye	Joe A. Martinez	aye
Jimmy L. Morales	aye	Dennis C. Moss	absent
Dorrian D. Rolle	aye	Natacha Seijas	aye
Katy Sorenson	aye	Rebeca Sosa	aye
	Sen. Javier D. Souto	absent	

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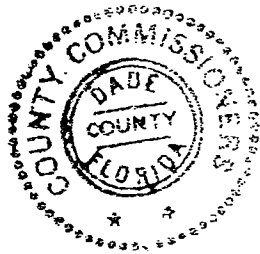
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Not On

Agenda Item No. 7(K)(1)(F)


Page No. 3

The Chairperson thereupon declared the resolution duly passed and adopted this 17th day of December, 2002. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

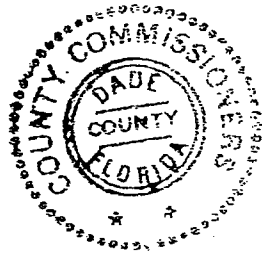
Approved by County Attorney as
to form and legal sufficiency. 

Shannon D. Summerset

By: **KAY SULLIVAN**
Deputy Clerk


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The Chairperson thereupon declared the resolution duly passed and adopted this 17th day of December, 2002. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as
to form and legal sufficiency. 

Shannon D. Summerset

By: **KAY SULLIVAN**
Deputy Clerk



MEMORANDUM

Amended
Not On
Agenda Item No. 7(K)(1)(F)

TO: Honorable Chairperson and Members
Board of County Commissioners

DATE: December 17, 2002

FROM: Steve Shiver
County Manager

SUBJECT: FY 2003 – 2007 Consolidated Plan
and FY 2003 Action Plan and Funding
Recommendations for the CDBG,
HOME, ESG, SHIP and Surtax
Programs

R#1482-02

RECOMMENDATION

It is recommended that the Board approve the County Manager's funding recommendations for the following funding sources and amounts as indicated in Exhibit 1:

Funding	Source	Amount
Community Development Block Grant (CDBG)	Federal	\$23,751,000
CDBG Program Income	Federal	\$400,000
Emergency Shelter Grant (ESG)	Federal	\$750,000
HODAG	Federal	\$608,000
Home Investment Partnership (HOME)	Federal	\$8,230,500
HOME Program Income	Federal	\$500,000
HOME CHDO	Federal	\$459,500
Hurricane Andrew Trust Fund (HATF)	State	\$200,000
State Housing Initiative Program (SHIP)	State	\$6,885,000
Surtax Program	County	\$19,920,000
Total All Sources		\$61,704,000.00

It is also recommended that the Board authorize the County Manager to submit the FY 2003 – 2007 Consolidated Plan and FY 2003 Action Plan to U.S. HUD; and to seek HUD's approval for the designation of the Miami-Dade County's nine focus areas, the Federal Enterprise Community/Empowerment Zone and Neighborhood Revitalization Strategy Areas (NRSA); and to execute all contracts, agreements and amendments necessary to implement the SHIP and the Surtax Programs and the FY 2003 Action Plan.

Please note that Exhibit 1 indicates the Requested Amount by each agency, Staff, Affordable Housing Advisory Board (AHAB), Task Force on Urban Economic Revitalization (UERTF); Overall Tenant Advisory Council (OTAC), Community Advisory Committees, BCC District Funds recommendations, and County Manager's recommendations.

BACKGROUND

CONSOLIDATED PLANNING PROCESS

On November 4, 1997 the Board approved the FY 1998-2002 Consolidated Plan, as prepared by the Office of Community and Economic Development (OCED), through the adoption of Resolution No. 1307-97. The final annual Action Plan to implement the current five-year Consolidated Plan ends on December 31, 2002. U.S. HUD requires that a new Consolidated

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Plan be submitted for approval. OCED has prepared a FY 2003-2007 Consolidated Plan for submission to U.S. HUD. The Consolidated Plan requires that an Action Plan be prepared for the funding available in each year through FY 2007. The Consolidated Plan combines the planning and application aspects of the CDBG, HOME, and ESG Programs. The FY 2003 Action Plan was developed with extensive participation by residents, the public and private sectors. This plan reflects the input gathered from neighborhood meetings, commission district-wide meetings, a countywide Overall Tenant Advisory Committee, Community-Based Organizations (CBOs), Community Development Corporations (CDCs), municipalities and County departments. Funding for the activities proposed in the FY 2003 Action Plan will come from the CDBG, HOME, and ESG entitlement programs. Funding recommendations are consistent with the Consolidated Planning Process Policies for the FY 2003 Request For Applications (RFA) as adopted by the Board through Resolution No. 618-02, pursuant to a public hearing held on June 4, 2002. Consistent with the past several years, for FY 2003 the Board has approved a Consolidated Planning Process that continues to include the SHIP and Surtax affordable housing programs (in addition to the CDBG, HOME, and ESG Programs) and provides for a Consolidated Request for Applications (RFA) process for all of the related programs – CDBG, HOME, ESG, SHIP and Surtax. Close coordination of these programs and resources continues to be essential to prevent duplication of funding or funding in excess of the needs of an activity.

CITIZEN PARTICIPATION

U.S. HUD regulations require that:

- The County holds a minimum of two (2) public hearings at different stages of the FY 2003 Planning Process. The first public hearing requires input from citizens on housing and community development needs. The second public hearing is intended to obtain public opinion about the FY 2003 Action Plan.
- The County makes the FY 2003 Action Plan available to the public for comments for a period of 30 days prior to approval of the funding recommendations by the Board of County Commissioners.

From January, 2002 through October, 2002 approximately 90 public meetings were held by OCED and CAA to monitor the performance of ongoing activities and identify priorities in Commission Districts, focus areas and eligible block groups.

On June 4, 2002, the first required public hearing was held before the Board of County Commissioners to obtain public input on the FY 2003 Consolidated Planning Policies on which the FY 2003 Action Plan recommendations have been based.

On October 4, 2002, the County issued a public notice that informed the public of the availability of the FY 2003 Action Plan at specifically designated locations. The public notice also served to inform the general public that written comments on the plan would be accepted until November 4, 2002 and that there would be a public hearing tentatively scheduled for October 24, 2002, to discuss the FY 2003 Action Plan and SHIP and Surtax funding recommendations.

The second public hearing was advertised and held on November 14, 2002 in the BCC Chambers at the Stephen P. Clark Center.

REQUESTS FOR APPLICATIONS (RFA) AND EVALUATIONS

Applications for funding were solicited through a consolidated Request for Applications (RFA) Process. Funding requests totaled \$129.7 million for the CDBG program, \$23.2 million for the HOME program, \$750,000 for the ESG program, \$7 million for the SHIP program and \$ 58.4 million for the Surtax program.

The FY 2003 RFA application process opened on June 18, 2002, and ended on July 18, 2002. The public was advised of the application process through several notices in The Miami Herald and The Miami Times. During the month-long RFA application process, OCED, in coordination with the Miami-Dade Housing Agency and the Miami-Dade Homeless Trust, convened two (2) technical assistance and information workshops for agencies and the public, and provided ongoing technical assistance throughout the application period. Exhibit 1 – FY 2003 Funding Recommendations by Agency, contains all requests and recommendations sorted by agency.

FY 2003 STAFF RECOMMENDATIONS

CDBG Evaluation Process

Neighborhood activities recommended for funding by County departments were reviewed and have been selected on the basis of priority needs and consistency with neighborhood and department plans. Countywide activities recommended for funding by Departments were selected on the basis of department priority and allocations determined through the County's FY 2002-2003 budget preparation process and in consultation with the Office of Management and Budget. Applications submitted by non-county organizations were reviewed and evaluated by staff in OCED, in consultation with the Homeless Trust and MDHA as necessary. It should also be noted that the County's Department of Human Services as well as the Alliance for Human Services participated in the meetings of the FY 2003 RFA Working Group and provided information relative to the Social Service Master Plan goals, priorities and funding allocations.

In preparing funding recommendations, careful attention was given to allocating the available funding to effectively meet the wide variety of diverse needs in the broad geographic districts and regions of the County and supporting activities that are consistent with the goals, objectives, policies, and priorities set forth in the FY 2003 Consolidated Planning Process Policies adopted by the Board.

Consultation Process with CDBG Applicants

The applications submitted through the annual RFA process were evaluated by staff for completeness and accuracy and scored on numerous criteria. A review of the scoring forms provided for applicants in the RFA, clearly shows the thorough evaluation that was given to

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each proposed activity by staff. Agencies were advised in a letter dated August 27, 2002 that evaluations related to their applications could be obtained and discussed with staff during a formal review process, which started on September 9, 2002 and ended on September 13, 2002. During these consultations with agencies, every effort was made to ensure that any questions regarding the evaluation of applications would be fully addressed prior to the Board's consideration of the County Manager's funding recommendations. While staff made a concerted effort to address agency inquiries as fairly and thoroughly as possible, any agency could still avail itself of the opportunity to address the Board during the required public hearing preceding the adoption of the FY 2003 Action Plan. Staff made funding recommendations based on considerations including the strength of the application and its responsiveness to focus area high priority needs, as detailed in the 1998-2002 Consolidated Plan. Additionally, staff's recommendations were developed to ensure that they carefully adhered to the Board approved Consolidated Plan Policies.

HOME, SHIP, and Surtax Evaluation Process

Funding recommendations for the program were made within the following parameters:

- A maximum initial award of \$1,000,000 for tax credit applications.
- A \$1.9 million set-aside was available for homeless housing projects.
- The maximum funding allocable to any one housing project was \$1,000,000 – an additional \$200,000 can be awarded to a mixed use housing project that includes housing for homeless and formerly homeless persons through a set aside of units.
- A \$2 million set aside was available for the construction of Section 8 project based elderly developments around the Scott/Carver Homes HOPE VI target area.
- Maximum funding for small rental projects (30 units or less) is \$250,000 or 40% of total project cost, whichever is less.
- No single applicant shall be awarded more than 10% of the combined allocation of HOME, SHIP, and Surtax funding.
- Approximately 20% of rental units (per project) to be designated for Section 8 subsidy; either project-based or tenant-based.

Applications for HOME, SHIP, and Surtax Program funds were reviewed principally by the Miami-Dade Housing Agency in close consultation with staff of OCED and the Homeless Trust. Evaluation criteria included factors such as commitment of financing from other sources, unit affordability, costs of construction, leveraging, economic feasibility, experience, capacity of the development team, and ability to proceed. The review of these applications was coordinated with OCED to prevent the duplication of funding from other County sources or funding beyond the stated needs of the proposal.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

The FY 2003 CDBG allocation is estimated at \$24,151,000. Official notification of County's final entitlement from U.S. HUD is expected by February, 2003.

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Funding recommendations for activities, programs, and projects for focus areas and eligible block groups have been prepared based on the needs identified by residents at meetings held at the neighborhood and commission district levels.

Funding recommendations were prepared for CDBG housing service delivery costs in support of HOME, SHIP and Surtax projects based on the analysis of an agency's funding history and performance results or progress.

Federal regulations cap the funding allocation for Administration in each Action Plan year at 20% of the total entitlement plus program income.

Several policy changes have combined to impact the amount of funds over which OCED staff will make funding recommendations. Specifically, the requirement that each Commission District be allocated \$200,000 and similarly each of the nine (9) focus area Community Advisory Committees (CAC) be allocated \$100,000 for their funding recommendation effectively this reduces OCED's staff's funding recommendations by (\$2.6 million and \$900,000) respectively. It should be noted that activities in only four funding categories- Capital Improvements; Economic Development, Housing and Public Service – have been utilized for allocation of funds by the BCC and CAC.

Additionally, Miami-Dade County's FY 2002/03 budget, consistent with the BCC's policy requiring only 30% of CDBG funds be directed to County Departments.

The result of these BCC policies is that OCED staff has only \$13,155,000 (56%) of CDBG funds available to make funding recommendations. County Departments' activities were not evaluated for scoring due to the pre-established funding levels recommended through the budget process. These recommendations may be subject to BCC modifications.

Summary of CDBG Funding by Category

(a) Administration

The proposed allocation of administrative support funding totaling \$3,772,580 or 15.6% of the total entitlement, is as follows: OCED's program administration, including management, financial community planning, contract development and monitoring, and grantee performance reporting and compliance (\$2,787,580); the Office Historic Preservation (\$100,000); other County departments (\$885,000) to include: C.A.A.'s Citizen Participation Program, Planning and Zoning Department's Strategic Area Planning and Environmental Review and Assessment Assistance Programs, Department of Human Services Fair Housing and HOPE, Inc. for the continuation of its Fair Housing Education and Outreach Program.

(b) Capital Improvements

Total funding requests in this category amounted to \$34.3 million. A total of \$2,413,000 is recommended for capital improvement projects in the FY 2003 Action Plan. This represents 10% of the total CDBG allocation compared to %4.1 in FY 2002. Project

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funding recommendations in this category will assist participating municipalities and non-profits to "finish what we started." For those projects that do not have complete funding or are not ready to start construction, OCED recommends that capital improvement projects be funded in phases. The first phase will include, but not be limited to design, permitting and environmental review.

On June 4, 2002, the BCC approved a policy of multi-year funding and/or contracts for some capital improvement projects. OCED is recommending the Richmond Perrine Optimist Club Youth Center be funded over three years. This multi-year commitment will be bridge funded by a private sector institution.

(c) Economic Development

FY 2003 funding recommendations for economic development activities total \$4,477,000 compared to \$4,762,294 for FY 2002. This represents 18.5% of the total CDBG allocation, compared to 20.5% in FY 2002. Total funding requests in this category amounted to \$27.2 million. Included in the staff recommendations are:

AGENCY/DEPARTMENT	ACTIVITY	COUNTY MANAGER'S RECOMMEN- DATIONS
Black Economic Development Coalition, Inc.	Technical Assistance	\$300,000
City of Hialeah	Hialeah Dade Development	\$125,000
Contractors Resource Center, Inc.	Ed Technical Assistance	\$70,000
Dynamic Community Development Corp.	Economic Development/Technical Assistance	\$75,000
Entertainment Industry Incubator, Inc.	Entertainment Industry Incubator	\$75,000
Fanm Ayisyen Nan Miyami, Inc.	Food Distributor Incubator	\$75,000
Local Initiatives Support Corporation	Economic Development/Technical Assistance	\$50,000
Haitian American Association of Dade County, Inc.	Micro-Enterprise Assistance Program	\$30,000
L.B.W Homeowner's Foundation of Coral Gables, Inc.	CDBG/Economic Development for Bahamian Village	\$100,000
Miami Dade OCED/ED	CDBG Revolving Loan Fund Program	\$1,000,000
Miami Dade OCED/ED	CDBG Revolving Loan Fund Program in Targeted Urban Areas:	\$300,000
Miami Dade OCED/ED	Commercial Revitalization in non-targeted urban areas	\$300,000
Miami Dade OCED/ED	Commercial Revitalization Program in Targeted Urban Areas	\$500,000
Miami Dade OCED/ED	Florida State/Miami-Dade County Enterprise Zone Program	\$225,000
Miami Dade OCED/ED	Micro Enterprise Assistance & Peer Lending Program/Countywide	\$200,000
Miami Dade OCED/UD	Support of CD acquired parcels for economic development activities.	\$112,000
Miami Urban Ministries of	ASSETS Miami Self-employment training and support	\$30,000

AGENCY/DEPARTMENT	ACTIVITY	COUNTY MANAGER'S RECOMMEN- DATIONS
United Methodist Church, Inc.		
Neighbors and Neighbors Association, Inc.	Technical Assistance	\$175,000
North Beach Development Corporation of Miami Beach, Inc.	North Beach Development Corporation of Miami Beach, Inc.	\$100,000
North Dade Community Development Federal Credit Union	North Dade Community Marketing/Awareness (CMA) Job Retention	\$150,000
Opa-locka CDC	Stadium Corners Shopping Center	\$100,000
Partners for Self Employment, Inc.	Matched Savings Fund	\$200,000
Rafael Hernandez Housing and Economic Development Corp.	Wynwood Business Development Program	\$60,000
Services Corps of Retired Executives Association	SCORE Counselors to America's Small Businesses	\$50,000
West Perrine Community Development Corporation, Inc.	West Perrine Commercial Office Space for Blood Bank	\$75,000
	Total Economic Development	\$4,477,000.00

These programs are designed to meet the needs of small and minority business owners for long-term working capital and fixed asset financing, to support the rehabilitation of commercial corridors and the growth and expansion of micro-businesses. These programs, as reflected in the County Manager's funding recommendations, are consistent with the high priority needs for economic development in CDBG focus areas and eligible block groups, as identified in the FY 2003-2007 Consolidated Plan, the FY 2002-2003 County Budget and for the revitalization of Targeted Urban Areas (TUAs) consistent with the Task Force's Urban Economic Revitalization Plan.

In the event of any difference between the County Manager's funding recommendations and those of the Task Force, a 2/3 vote of the members of the Board of County Commissioners is required to approve the County Manager's recommendation.

Please be advised that, as requested by Ordinance No. 97-33, which created the Task Force on Urban Economic Revitalization, the FY 2003 CDBG Economic Development funding recommendations were presented to the Task Force for review.

A review of the funding recommendations for the CDBG economic development category indicates that there are differences in the funding recommendations relative to TUA-related economic development activities between the UERTF and the County Manager's recommendations. (See Attached UERTF recommendations).

In an effort to resolve the differences between the UERTF and the County Manager's recommendations relative to those TUA-related activities, staff has reviewed the merits of the UERTF recommendations and taken into consideration any additional differences

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that may be reflected in the funding recommendations. As a result of these considerations, it is recommended that the Board adopt, by way of the necessary 2/3 vote, the County Manager's CDBG economic development category recommendations.

(d) Historic Preservation

The funding recommendations for Historic Preservation activities amount to \$120,000 or less than 0.5% of the total CDBG allocation, compared to \$200,000 or 0.9% in FY 2002. Additional funding related to Historic Preservation is allocated in the Administration category in the amount of \$100,000 to support the County's Office of Historic Preservation. Requests for funding in this category total \$575,000.

(e) Housing

Of the total proposed FY 2003 allocation, \$2,956,000 or 12.2%, is recommended for housing activities. In FY 2002, \$5,176,799 or 22.3% of total entitlement was allocated to housing activities.

(f) Public Services

Federal regulations cap the funding allocations to public services at 15% of the total entitlement plus program income. This cap excludes funding for activities Neighborhood Revitalization Strategy Areas (NRSAs). Requests for public service funding through the FY 2003 RFA process totaled approximately \$41.4 million. The FY 2003 Public Service County Manager's recommendations amount to \$8,143,000. Approximately \$4,564,000 million of public service activities serve NRSAs.

High priority public service activities include childcare, youth programs, employment training and senior services. Recommendations for public service activities were made in consultation with the Alliance for Human Services.

(g) Activities Benefiting Residents of Public Housing Developments

As a result of the Adker Consent Decree issued by the U.S. District Court Southern District of Florida on June 24, 1998, the County has to allocate a minimum of \$4,715,800 of FY 2003 CDBG funds in areas surrounding public housing developments. In the FY 2003 Action Plan, a total of approximately \$12,529,000 in diverse activities, programs, and improvements benefiting the residents of public housing are being recommended for CDBG funding compared to \$14,920,860 in CDBG funds for public housing benefit activities in the FY 2002 Action Plan. OCED has coordinated with MDHA to facilitate the review of the FY 2003 funding recommendations by OTAC, for consistency with the requirements of the Adker Consent Decree. A series of meetings have been held with OTAC in this regard. Please note that OTAC's recommendations for funding activities are listed in Exhibit I and to the extent that there are differences between OTA recommendations and the County Manager's recommendations a 2/3 vote of the Board will be required to approve the County Manager's recommendation.

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In light of the wide-ranging, across-the-board impact of OTAC's proposed funding reductions on numerous agencies, it is recommended that the Board approve the County Manager's funding recommendations by a 2/3 vote and override OTAC's recommendations.

(h) Funding for Activities in Entitlement Cities based on Metropolitan Significance Criteria

Activities with metropolitan significance that are located in the entitlement cities of Miami, Miami Beach, North Miami and Hialeah are recommended for a total of \$2,093,480 or 8.9% of the FY 2003 total CDBG allocation.

In recommending funding for activities in other entitlement cities, staff was especially mindful of U.S. HUD's Final Rule issued in November 1995, which stated that CDBG funds may assist an activity outside the jurisdiction of the Grantee only if the Grantee determines that such activity is necessary to further the purposes of the Housing and Community Development Act and the recipients community development objectives, and that reasonable benefits from the activity will accrue to the residents of the jurisdiction of the Grantee. This new language, to some extent, restricts the number of activities that can be recommended for funding. Additionally, consideration was given to the consistency of the activity with the high priority needs identified in the particular jurisdiction's Consolidated Plan.

In accordance with the approved FY 2003 Consolidated Planning Process Policies, funding for activities in entitlement jurisdictions participating in the State of Florida Small Cities CDBG Program is limited to those activities which demonstrate Metropolitan Significance and are consistent with the high priority needs identified in that jurisdiction's Consolidated Plan. Further, in order to be eligible for CDBG funding from Miami-Dade County, an activity in, either a Small Cities Program area (such as the cities of Homestead and Florida City) or an entitlement jurisdiction, will have to pass an eligibility determination test that demonstrates that the majority of its program benefits has benefited the County's unincorporated or entitlement area in the past.

FUNDING FOR ENTITLEMENT CITIES

Entitlement /Small Cities Area	1990 Population	1990 Low/Mod Population	FY 2002 Entitlement Amount	FY 2003* (EST.) Entitlement Amount	Low/Mod Per Capital Entitlement Allocation
Hialeah	188,008	91,436	\$5,514,000	\$5,624,280	\$6
**Homestead	26,694	15,308	0	0	
**Florida City	5,978	3,681	0	750,000	\$20
Miami	358,548	215,293	12,856,000	13,113,120	\$6
Miami Beach	92,639	54,144	2,777,000	2,832,540	\$5
North Miami	50,001	22,656	1,107,000	1,129,140	\$5
Subtotal	721,868	402,518	22,254,000	23,449,080	

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Miami-Dade	1,215,226	417,813	22,679,000	23,751,000	\$
Dade County	1,937,094	820,331	44,933,000	47,200,080	\$
Total/Average					

*Based on the assumption that the FY 2003 funding will be increased by about 2%.

**The cities of Florida City and Homestead no longer participate in the County's program, they participate in the Small Cities CDBG program administered by the State of Florida.

(i) Neighborhood Revitalization Strategy Areas

In 1996, U.S. HUD allowed entitlement jurisdiction to designate distressed areas that meet certain criteria as Neighborhood Revitalization Strategy Areas (NRSAs). The Board of County Commissioners and U.S. HUD have previously approved the following areas as NRSAs:

- Coral Gables (formerly Coconut Grove)
- Federal Enterprise Community/Empowerment Zone
- Goulds
- Leisure City
- Melrose
- Model City
- Opa-locka
- Perrine
- South Miami
- West Little River

OCED is recommending that all these areas be approved as NRSAs as part of the County's FY 2003-2007 Consolidated Plan. The incentives to submit and secure approval for revitalizations strategies are described below:

Job Creation/Retention as Low-Moderate-Income Area Benefit: Job creation/ retention activities undertaken pursuant to the strategy may be qualified as meeting area benefit requirements, thus eliminating the need for a business to track the income of persons that take or are considered for such jobs.

Aggregate Public Benefit Standard Exemption: Economic development activities carried out under the strategy may, at the grantee's option, be exempt from the aggregate public benefit standards, thus increasing a grantee's flexibility for program design as well as reducing its record-keeping requirements.

Public Service Cap Exemption: Public services carried out pursuant to the strategy by a Community-Based Development Organization (CBDO) will be exempt from the public service cap.

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HOME INVESTMENT PARTNERSHIP PROGRAM RECOMMENDATIONS

It is anticipated that Funding Recommendations for the HOME Program will total \$9,190,000 in FY 2003, including an allocation of \$500,000 of program income. The HOME Program provides funds for permanent and construction loans, and first and second mortgage financing to assist very-low and low-income to moderate-income families to purchase or rent developed affordable housing units.

Program Administration	\$669,000
Rental Housing	\$750,000
Homeownership	\$4,384,500
Homeless Housing	\$400,000
CHDO Operating Support	\$459,500
CHDO Reserve	\$84,500
Reserve	\$2,442,500
Total	\$9,190,000.00

EMERGENCY SHELTER GRANT (ESG) RECOMMENDATIONS

The process and criteria for awarding ESG funds, along with the source and amount of matching funds, involve the estimated \$750,000 in expected grant funds. It is recommended that these funds be contracted to Camillus House to continue to operate the County's Beckham Hall facility. Single males comprise approximately 62% of the homeless population in Miami-Dade County. Beckham Hall will provide temporary shelter and services for some 1,200 homeless males over the next year.

The match will be based upon funds that Miami-Dade County provides for the annual operation of the homeless programs and facilities in Miami-Dade County. A match of 100% is required.

STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM

The SHIP Program allows flexible funding for housing development to meet local needs. SHIP funding expected to be available in FY 2002/2003 is \$6,885,000. The recommended funding distribution is:

Bank Partnership	\$4,285,000
Rental Units	\$2,000,000
Homeownership	\$450,000
Homebuyer Counseling	\$150,000
Total	\$6,885,000.00

Proposals being recommended for funding include \$450,000 for the new construction of homeownership units, \$150,000 for Homebuyer Counseling, \$2,000,000 for Rental Units and Reserve. Funding recommendations are based on the evaluation of projects applying for SHIP

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funds that demonstrate a need for the funds requested. SHIP funding recommendations are included in Exhibit 1.

DOCUMENTARY STAMP SURTAX PROGRAM

The Surtax Program provides funds that primarily promote the new construction of homeownership units. A total of \$19,920,000 is available in FY 2003. An allocation of \$16,100,000 is being recommended for rehabilitation and/or new rental units, \$3,600,000 for new homeownership units and \$220,000 for homeownership counseling. Funding recommendations are based on the total amount of available affordable housing funding from all sources, and the review and evaluation of projects that applied for Surtax funds in the categories of homeownership by private developers, homeownerships by CDCs and rentals by CDCs. Surtax funding recommendations are included in Exhibit 1.

TASK FORCE ON URBAN ECONOMIC REVITALIZATION RECOMMENDATIONS

OCED's funding recommendations for the CDBG Economic Development category were provided to the UERTF on October 9, 2002. Consistent with the requirements of Ordinance No. 97-33, the UERTF after review of OCED funding recommendations and agency presentations, made its own funding recommendations which are indicated in Exhibit 1. The UERTF recommendations were submitted to OCED on November 7, 2002. The total of UERTF recommendations is \$4,152,140. **Please note that in the event of any difference between the County Manager's recommendation and those of the Task Force, it will require a 2/3 vote of the members of the Board of County Commissioners to approve the County Manager's recommendation.**

OVERALL TENANT ADVISORY COUNCIL (OTAC) RECOMMENDATIONS

As the result of the Adker Consent Decree issued by the U.S. District Court, Southern District of Florida on June 24, 1998, "the County shall allocate 25 percent of its future annual allocable CDBG funds for five years, commencing with the FY 2000 Action Plan, for housing and community and economic development programs and infrastructure improvements in neighborhoods surrounding public housing developments." Allocable CDBG funds are the total amount of CDBG funds appropriated in the Annual Action Plan less the 20 percent maximum allowed by U.S. HUD for the County's administrative expenses. The allocated CDBG funds shall be spent in accordance with priority needs identified relative to public housing and the surrounding neighborhoods through the County's Citizen Participation Process as mandated by HUD's Consolidated Planning requirements. Moreover, the County shall have no financial obligation to fund any such amount of programs and improvements other than from the CDBG funds actually paid or pledged to it by HUD.

In order for the County to be in compliance with the Adker Consent Decree requirement, the funding recommendations for the annual expenditure of CDBG funds must ensure that an amount not less than 25% of the allocable amount of CDBG funds, less the 20% allowed administration, is allocated for eligible activities and programs benefiting the residents of public housing developments. With the specific reference to the FY 2003 Action Plan, the proposed allocation of \$24,151,000 in CDBG funds means that at least 25% of the amount

remaining after allowing for the 20% expenditure for administration at least \$4,830,200 $(\$24,151,000 - 20\%) \times .25$) must be allocated for programs and activities benefiting the residents of public housing developments.

In accordance with the provisions of the consent decree, the Overall Tenant Advisory Council (OTAC) has been identified as the entity representing the interests of public housing residents relative to reviewing the recommendations of OCED staff and recommending activities and programs benefiting the residents of public housing developments.

To the extent that the County Manager's funding recommendations relative to activities and programs benefiting public housing residents are not in agreement with those of OTAC, the funding recommendations provided by OTAC will be implemented, unless modified by a two-thirds (2/3) vote of the Board of County Commissioners.

COMMUNITY ADVISORY COMMITTEE (CAC) RECOMMENDATIONS

On June 4 the BCC approved the FY 2003 Consolidated Planning Process Policies. In an effort to directly meet the need of low and moderate-income communities, \$100,000 was allocated to each of the nine CACs to address high priority needs in their neighborhoods. CACs are being empowered to make non-public service recommendations to meet high priorities as identified in their Neighborhood Revitalization Strategies. Those funds have been placed in a reserve fund to be allocated by the CACs in 2003. Once these allocations have been made by the CACs, it is recommended that the County Manager make these allocations administratively as non-substantial plan amendments.

BCC DISTRICT FUNDS RECOMMENDATIONS

On June 4 the BCC also approved \$200,000 to be allocated to each Commission District. Some District recommendations are reflected in the BCC District Funds Recommendations column. Those funds that have not been allocated have been placed in a reserve fund to be allocated by the BCC in 2003. It is recommended that the County Manager make these allocations administratively as non-substantial plan amendments.

REVISIONS TO DEPARTMENTAL BUDGETS

The final recommendations take into consideration staff, AHAB, URTF, OTC, CAC, and BCC District Fund requests as discussed with OCED staff. To address concerns that were raised, it was necessary to reduce County departmental CDBG allocations recommended and approved as part of the FY 2002-03 budget by approximately \$2.3 million. As the Board is aware, even though such appropriations are included in the budget ordinance, the CDBG allocations are not final until the federally mandated grant allocation process is completed. The revised departmental recommendations are as follows:

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Department	Activity	Adopted Budget	Revised Recommendation	Difference
PROGRAMMATIC				
MD Building Dept.	Demolition of Unsafe Structures	\$350,000	\$200,000	\$150,000
MD Health Dept (Florida Dept of Health)	Rodent Control	344,000	300,000	44,000
Team Metro	Code Enforcement	451,000	51,000	400,000
MD OCED	Micro Lending – TUA	125,000	0	125,000
MD OCED	Micro Lending	375,000	200,000	175,000
MD OCED	Commercial Revitalization – TUA	250,000	500,000	(250,000)
MD OCED	Commercial Revitalization	750,000	300,000	450,000
MD OCED	Revolving Loan Fund - TUA	378,600	300,000	78,600
MD OCED	Revolving Loan Fund	1,135,850	1,000,000	135,850
MD OCED	Countywide Land Acq.	140,000	120,000	20,000
MD Office of Historic Preservation	Historic Preservation	200,000	120,000	80,000
			Subtotal	1,408,450
ADMINISTRATION				
MD DHS	Social Svcs, Master Plan	49,000	0	49,000
MD OCED	Administration	3,562,000	2,787,580	774,420
MD Office of Historic Preservation	Historic Preservation	170,000	100,000	70,000
			Subtotal	893,420
Total County Department Budget reduction				\$2,301,870

The OCED Director has recommended that these activities be prioritized for reprogrammed funds in early FY 2003. OCED will identify funds for recapture and will prepare an amendment to the FY 2003 Action Plan after it completes its Consolidated Annual Performance Evaluation Report. The Report is due to US HUD within 90 days after the end of the FY 2002 program year. OCED has proposed an "Expenditure Analysis" that indicates the availability of sufficient funds for reprogramming following the conclusion of the FY 2002 close-out period. Therefore, under the plan recommended by the OCED Director, the adjustments to these departmental budgets will be temporary and not affect departmental operations. I therefore concur with that approach.

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Finally, it is recommended that the Manager be authorized to make administrative non-substantial amendments to the plan approved by the BCC. As approved by the BCC in April 1996, the criteria for substantial amendments to the consolidated plan are stated below:

1. An activity assumes a new purpose;
2. The scope of activity is increased by 100% or more;
3. The minimum change in the cost of an activity is \$100,000 or more, or;
4. An activity's services are redirected outside of the previously agreed upon target (NRSA) area.

On December 17, 2002, the County Manager presented FY 2003 funding recommendations for the CDBG, HOME, ESG, SHIP and Surtax Programs. The Board accepted most of the County Manager's funding recommendations, including amendments presented by the Director of OCED, and made modifications to the others. Some Members of the Board made specific allocations to agencies in their respective districts from the Commission District Reserve Funds. It was noted that four Commissioners had not yet allocated funding to agencies from their Commission District Reserve Funds. The Board further requested funding consideration from recaptured/reprogrammed funds for certain specific activities. The funding changes made by the Board are incorporated in an amended Exhibit 1. The amendments resulted in the following adjusted total amounts in the CDBG program categories:

	County Manager's Funding Recommendations	Adjusted amount as a result of BCC Action
Capital Improvement	\$ 2,413,000	\$ 2,638,000
Economic Development	4,477,000	- 0 -
Housing	2,956,000	2,951,000
Public Services	8,143,000	8,418,000
Historic Preservation	120,000	- 0 -
Administration	3,772,580	- 0 -

It is to be noted that in the Board of County Commissioner's approved funding recommendations, the funding of activities under the Public Service category exceeds the 15% Public Service cap of \$3,622,650 by \$4,795,350. It is anticipated that the amount in excess of the cap will be accommodated through the flexibility provided under the Neighborhood Revitalization Strategy Areas (NRSA's) for public service expenditures. OCED will identify to U.S. HUD those FY 2003 public service activities, in an amount not less than \$4,795,350 related to the County's NRSA's. Further, as a result of the funding adjustments made by the Board, the Scope of Services and Budgets of the affected agencies will be modified accordingly.


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MEMORANDUM

TO: Honorable Chairperson and Members
Board of County Commissioners

DATE: December 17, 2002

FROM: 
Robert A. Ginsburg
County Attorney

Amended
Not On
SUBJECT: Agenda Item No. 7(K)(1)(C)

Please note any items checked.

- ☐ "4-Day Rule" (Applicable if raised)
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget.
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Statement of private business sector impact required
- ☐ Bid waiver requiring County Manager's written recommendation
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☐ "Sunset" provision required
- ☐ Legislative findings necessary

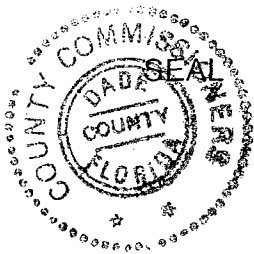
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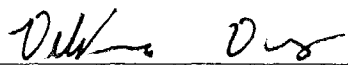
STATE OF FLORIDA)
)
COUNTY OF MIAMI-DADE) SS:

I, **HARVEY RUVIN**, Clerk of the Circuit and County Courts, in and for Miami-Dade County, Florida, and Ex-Officio Clerk of the Board of County Commissioners of said County, **Do Hereby Certify**, that the above and foregoing is a true and correct copy of Resolution R-1335-05, adopted by the Board of County Commissioners at its meeting of December 06, 2005, as appears of record.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on this
19th day of December, A.D. 2005.

HARVEY RUVIN, Clerk
Board of County Commissioners
Miami-Dade County, Florida



By: 
Deputy Clerk

Board of County Commissioners
Miami-Dade County, Florida

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